



**Ninety-Seventh Legislature - Second Session - 2002**  
**Committee Statement**  
**LB 1236**

---

**Hearing Date:** February 5, 2002

**Committee On:** Agriculture

**Introducer(s):** (Wehrbein)

**Title:** Change membership and operation provisions for the State Board of Agriculture

---

**Roll Call Vote – Final Committee Action:**

Advanced to General File

X Advanced to General File with Amendments

Indefinitely Postponed

---

**Vote Results:**

7	Yes	Senators Burling, Cunningham, Dierks, Erdman, Schimek, Schrock, Vrtiska
0	No	
0	Present, not voting	
1	Absent	Senator Chambers

---

**Proponents:**

Senator Roger Wehrbein, #2  
Pat Lloyd  
B.J. Meyer

**Representing:**

Introducer  
Nebraska State Board of Agriculture  
Nebraska State Fair Board

**Opponents:**

Senator Don Pederson

**Representing:**

District #42

**Neutral:**

Gary Seacrest  
Martha Carter

**Representing:**

Program Evaluation Committee  
Program Evaluation Committee

---

**Summary of purpose and/or changes:**

As introduced, LB 1236 provides statutory direction regarding the organization and operation of the State Board of Agriculture, applying additional state oversight over the Board's activities and expenditure of state funds.

- Prohibits members of the Legislature from serving on the Board
-

- Provides statutory recognition of the Board of Agriculture's authority to conduct a state fair and horseracing. Retains existing statutory provision that state fair is to be held at its existing location. Provides that the state may provide financial assistance for maintenance and improvement of the state fairgrounds subject to contractual agreement governing the duties of the Board regarding accountability and annual reporting to the Legislature DAS and the Board regarding the Board's compliance with the terms of the contract
- Requires Board to create an advisory committee including named individuals and representatives, and interested public members, and that the advisory committee is to meet quarterly.
- Requires the Board to comply with the Nebraska Open Meetings Law
- Creates a cash fund for legislative appropriations for operations
- Includes Board members within provisions of the Nebraska Accountability and Disclosure Act requiring annual filing of statement of financial interest. The Accountability & Disclosure Act is further amended to prohibit Board members from hiring or recommending family members for employment and prescribes disclosure procedures to be followed by Board members when decisions of the Board create a conflict of interest.

**Explanation of amendments, if any:**

The proposed amendments strike the original provisions and substantially rewrite the bill to be more consistent with the Board's status as a private corporation and for better consistency with the manner in which state funds are expended for state fair operations and for capitol improvements to State Fair Park. The effective date of the bill is January 1, 2003.

- States legislative findings recognizing state fair as important cultural & educational event for a broad range of interests and declares a public interest in a public private partnership based principals of encouraging greater private support, greater openness and public participation, and sharing of information about the condition of the fairgrounds, and the financial status of the state fair.
- Amends 2-101 by recognizing the broader scope of interests beyond agriculture that have an interest in participating in the state fair, including industrial, mechanical and other interests, and the arts, skilled crafts, and the sciences. Provides that the Board of Agriculture is to be henceforth known as the State Fair Board. The section currently requiring the Board to meet annually to consider the needs of agriculture. The section is amended so that the Board may provide in its bylaws for the participation of delegates from associations that represent these interests in its annual meeting, and for the ex officio participation of certain named officials and members of the Legislature at the annual meeting.
- Inserts new statute directing that the Board shall reorganize into a Board consisting of 11-members no later than May 1, 2003. This would enable reorganization activities, including writing and adoption of new constitution and bylaws and the selection of board members to take place during the Fall of 2000 and early 2003. The terms of members are 3 years, with a limit of three terms except that initial board members terms are staggered. Members of the Board who have served or are serving on the Executive Committee are eligible for only 1 three year

appointment. The board shall select its chairman, vice-chair and secretary, and other officers as needed at the annual meeting of the Board. The 11 members are to include:

- 7 members selected by district as provided by constitution and bylaws of the Board. The bylaws of the Board currently divide the state into 7 county fair districts.
  - 4 members appointed by the Governor representing the business community of the state, 2 representing Lincoln, 1 Omaha, and 1 the state at large.
- Provides that the State of Nebraska may allow the State Fair Board's use, occupation and management of the state fairgrounds for the purpose of conducting a state fair and horseracing, and leasing of facilities. The Fair Board's use is to be pursuant to a property management agreement between DAS and the Fair Board and that the Fair Board shall assume the duties of the Board of Agriculture under the current property management agreement and that the agreement may be modified from time-to-time to carry out changes made elsewhere in the bill, including that the agreement shall require the State Fair Board to provide information relating to the condition of State Fair Park and the financial status and planning for the future of the fair and the fairgrounds.
  - States legislative intent that the Fair Board establish a state fair foundation
  - Specifically authorizes disbursements of state funds, including building renewal funds or legislative appropriations for the maintenance and improvement of the state fairgrounds subject to the same requirements and system of priorities that apply to all state property. The property management agreement is to require the Fair Board to provide all reports and information that is necessary for the state to comply with the requirements for disbursements of state building maintenance and capitol construction funds. The agreement shall also require the Board to annually develop and report a 1 and 3 year facilities maintenance and improvement budget and to identify revenue sources to fulfill the budgeted maintenance & improvement.
  - Sections 7 through 20 of the amendment contain harmonizing changes in a number of statutes by substituting reference to the State Fair Board for the Board of Agriculture.
  - Obsolete provisions (2-115 through 2-128) relating to the racetrack and grandstand improvement project are outright repealed. The project was completed and all bonds issued for the construction project have been retired.

---

**Senator Merton L. Dierks, Chairperson**